

EX PARTE OR LATE FILED

MORRISON & FOERSTER LLP

ATTORNEYS AT LAW

SAN FRANCISCO
LOS ANGELES
SACRAMENTO
ORANGE COUNTY
PALO ALTO
WALNUT CREEK
SEATTLE

2000 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20006-1812
TELEPHONE (202) 887-1500
TELEFACSIMILE (202) 887-0763

ORIGINAL

DOCKET FILE COPY ORIGINAL

NEW YORK
DENVER
LONDON
BRUSSELS
HONG KONG
TOKYO

October 22, 1996

Writer's Direct Dial Number
(202) 887-1510

By Hand

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RECEIVED

OCT 22 1996

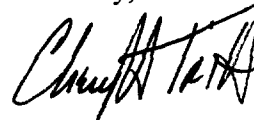
**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY**

Re: Ex Parte Communication, CC Docket No. 96-61

Dear Mr. Caton:

Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. §1.1206, I hereby notify you that David Joseph-Lacagnina of Salestar, Inc., George David of CCMI, Kim Russo of Tele-Tech Services, Sam Simon, counsel to Telecommunications Research and Action Center, and I met today, October 22, 1996, prior to the issuance of the Sunshine Notice, with Commissioner Rachelle B. Chong and Dan Gonzales, Legal Advisor to Commissioner Chong. We discussed the issues outlined in the attached presentation. In particular, we focused upon the need for requiring that price information be made available to the public, including options for on-line availability of this information to complement central or site-specific availability.

Sincerely,



Cheryl A. Tritt

cc: Commissioner Rachelle B. Chong
Dan Gonzales

RECEIVED

OCT 22 1996

**EX PARTE PRESENTATION BY THE
TELECOMMUNICATIONS MANAGEMENT
INFORMATION SYSTEMS COALITION
TARIFF FORBEARANCE, CC DOCKET NO. 96-61
OCTOBER 22, 1996**

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY**

The public availability of rate information is critical to thousands of customers who must make regular informed service decisions in a robustly competitive interexchange marketplace exhibiting increasingly complex pricing structures. Despite this increasing need for information, there is no reliable alternative to obtaining this information absent publicly filed tariffs. The most important factor, however, is the availability of the information, not the precise mechanism used to achieve its availability. Therefore, the public interest requires that any detariffing policy that may be adopted by the Commission be supplemented by a simple requirement that carriers make their rate information centrally available not only to the Commission but also to the public.

I. Customer Need for Price Information/Why Interexchange Service is Different

A. The statutory obligations imposed by Sections 201 and 202 of the Communications Act require pricing information for efficient enforcement through the Section 208 complaint process. As the Supreme Court has said: "The provisions [of the Act] allowing customers or competitors to challenge rates as unreasonable or as discriminatory. . . would not be susceptible of effective enforcement if rates were not publicly filed." *MCI Telecommunications Corp. v. American Tel. and Tel. Co.*, 114 S. Ct. 2223, 2231 (1994).

B. Telecommunications pricing is particularly complex, with literally hundreds of promotional and discount plans offered by each interexchange carrier and with increasingly complex packaging of many different services. It is therefore extremely difficult for customers, particular smaller ones such as residential and small business customers, to gather complete and detailed pricing information from a multitude of carriers. Central availability of pricing information will enable customers to make informed decisions.

C. The airline industry provides a useful analogy. Its computerized reservation systems ("CRSs") provide detailed pricing information for all airlines, including discounted fares and the rules and restrictions applicable to those fares. Special large contract deals and charter deals, however, are not included in the CRSs. The Airline Tariff Publishing Company ("ATP") is the central industry entity that collects and disseminates this information. It was established when the industry was required to file tariffs with the CAB, but it has continued in existence after deregulation as a voluntary mechanism to provide the same information to the CRSs. The airlines are connected to ATP by data cable and provide updated fare information each day. ATP is in turn

connected to its subscribers, including the CRSs, fare auditing companies and large travel agents.

II. Collusive Exchange of Price Information Among IXC's Is Highly Unlikely

A. Collusion as a result of price information exchange is most likely in an industry dominated by a few sellers with a fungible product and inelastic demand. *See United States v. Container Corp. of America*, 393 U.S. 333, 337 (1969). The interstate, interexchange marketplace, however, has many sellers with complex pricing structures and highly elastic demand. Further, the increasing number of entrants into this market makes collusion even less likely.

B. At a minimum, the Commission should determine that the risk of collusion is sufficiently unlikely for the low-end market (*i.e.*, the residential and small business markets) that, when balanced with the need of these customers for pricing information as described above, carriers should be required to make pricing information centrally available for this market at least.

III. Options Exist For Centrally Available Price Information

A. Several commenting parties suggested that price information be made available electronically, perhaps over the Internet. Several software packages already exist that would permit some form of public access to this information.

Exhibit A

Examples of Information Needed To Price A Calling Plan

General

What is the name of the telephone company providing the service?
Is it a plan or a promotion?
Does this plan have a minimum monthly usage requirement?
Does this plan use the special "under 40 mile vertical and horizontal" rule to calculate mileage distance?
If the plan offers volume, term, or other discounts, what order are they applied?
Is this plan based on another plan, if so what is that plan?
What jurisdiction does this plan apply to (local, intraLATA, interLATA/intrastate, intraLATA/interstate, interstate)?
If this plan is not interstate, then for what state is this plan applicable?
What call types are applicable (direct dial, calling card, toll free, 900, etc.)
Does this plan have special options?
What access types are applicable (switched, dedicated, on/off net, WATS, business)?
If a call crosses the time period with separate rates, then which rates apply. If a call begins during the day period and ends during the evening, how are the rates applied?
Does this plan use banding such as NPA/NXX bands or state bands instead of mileage distances?
What are the rounding methods (rounding up, down, nearest cent, half cent, etc.)?
What is the effective date for this plan?

Rates

What are the time periods for this plan (day, evening, night, peak, off-peak, flat, etc.)?
Does this plan have separate US mainland to Hawaii pricing?
Does this plan have separate US mainland to Alaska pricing?
Does this plan have separate US mainland to Puerto Rico/Virgin Island pricing?
Does this plan have separate Alaska to/from Hawaii pricing?
What are the rates for each mileage band?
What are the rate periods (for example, the first 18 seconds are rated at one price and all additional periods are rated in 30 second increments)?
Does this plan have high or low hour pricing?
Does this plan have a minimum average call duration?
What is the calling card surcharge?
Are there any other surcharges, if so what do they apply to?
If this plan has time block pricing, what are the length of the time periods, applicable time of day, and rates?
Are calling card calls included in the time block offering?
Do calling card surcharges apply to the time block offering?
What is the effective date for each rate?

Discounts

If this plan offers volume discounts, what are they?
If this plan offers term discounts, what are they?
If this plan offers special discounts, what are they?
Which discounts apply to which call types?
Are calling card surcharges discounted?
If this plan has a volume discount is it applied incrementally or does the aggregate usage get the highest applicable discount?
Are these discounts based on something other than volume or term (i.e., mileage or number of calls)?
What is the effective date for each discount type?

Charges

If this is an installation charge, what is it and how is it applied? For example, is it applied per line, per billed telephone number, per service site, etc.?

If this is a recurring charge, what is it and how is it applied? For example, is it applied per line, per billed telephone number, per service site, etc.?

What is the effective for this charge?

Access Charges

Does the plan offer dedicated access to the switched service?

If yes, then what are the intraLATA local access channel rates for the various private line services?

Multi-point Services

What are the rates and charges for multi-point service offerings?

Tables and Misc. Data

Location of IXC Points of Presence and the services available at each.

Vertical and Horizontal coordinates for Points of Presence, rate centers, etc.

CLLI code information for Points of Presence

Methods for calculating mileage

USOC codes